



## WORKING DRAFT

General Assembly

January Session, 2009

***Raised Bill No.***

LCO No. 5071



Referred to Committee on

Introduced by:

()

### ***AN ACT CONCERNING FEDERAL STIMULUS MONEY RECIPIENTS AND UNPAID BONUSES.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 31-71a of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective from passage*):

3 Whenever used in sections 31-71a to [31-71i] 31-72, inclusive, as  
4 amended by this act:

5 (1) "Employer" includes any individual, partnership, association,  
6 joint stock company, trust, corporation, the administrator or executor  
7 of the estate of a deceased person, the conservator of the estate of an  
8 incompetent, or the receiver, trustee, successor or assignee of any of  
9 the same, employing any person, including the state and any political  
10 subdivision thereof;

11 (2) "Employee" includes any person suffered or permitted to work  
12 by an employer;

13 (3) "Wages" means compensation for labor or services rendered by  
14 an employee, whether the amount is determined on a time, task, piece,

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15 commission or other basis of calculation; including a bonus or  
16 retention bonus;

17 (4) "Commissioner" means the Labor Commissioner;

18 (5) "Bonus" means compensation not determined by a basis of  
19 calculation other than time, task, piece or commission;

20 (6) "Retention bonus" means compensation paid in consideration of  
21 the employee remaining in the employ of the employer.

22 Sec. 2. Section 31-72 of the general statutes is repealed and the  
23 following is substituted in lieu thereof (*Effective from passage*):

24 (a) When any employer fails to pay an employee wages in  
25 accordance with the provisions of sections 31-71a to 31-71i, inclusive,  
26 as amended by this act, or fails to compensate an employee in  
27 accordance with section 31-76k or where an employee or a labor  
28 organization representing an employee institutes an action to enforce  
29 an arbitration award which requires an employer to make an employee  
30 whole or to make payments to an employee welfare fund, such  
31 employee or labor organization may recover, in a civil action, twice the  
32 full amount of such wages, with costs and such reasonable attorney's  
33 fees as may be allowed by the court, and any agreement between him  
34 and his employer for payment of wages other than as specified in said  
35 sections shall be no defense to such action. The Labor Commissioner  
36 may collect the full amount of any such unpaid wages, payments due  
37 to an employee welfare fund or such arbitration award, as well as  
38 interest calculated in accordance with the provisions of section 31-265  
39 from the date the wages or payment should have been received, had  
40 payment been made in a timely manner. In addition, the Labor  
41 Commissioner may bring any legal action necessary to recover twice  
42 the full amount of unpaid wages, payments due to an employee  
43 welfare fund or arbitration award, and the employer shall be required  
44 to pay the costs and such reasonable attorney's fees as may be allowed  
45 by the court. The commissioner shall distribute any wages, arbitration

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46 awards or payments due to an employee welfare fund collected  
47 pursuant to this section to the appropriate person.

48 (b) The provisions of subsection (a) of this section shall not apply to  
49 any action to collect twice the amount of unpaid bonus or retention  
50 bonus for any employee of an employer receiving funds from the  
51 federal troubled asset relief program pursuant to Public Law 110-343  
52 or any other government stimulus program designed to purchase  
53 assets or equity from financial institutions.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	31-71a
Sec. 2	<i>from passage</i>	31-72

## **Statement of Purpose:**

To prevent employees of financial institutions receiving federal stimulus funds from pursuing double damages for collection actions on their unpaid bonuses.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*

